



PROSPECTOR
Metals Corp.

PROSPECTOR METALS CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2025 and 2024

Unaudited - Expressed in Canadian dollars

Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

PROSPECTOR METALS CORP.

Condensed Interim Consolidated Statements of Financial Position

As at

(Unaudited - Expressed Canadian Dollars)

	Note	September 30, 2025	December 31, 2024
ASSETS			
Current assets:			
Cash and cash equivalents		\$ 1,811,960	\$ 1,205,977
Amounts receivable		224,204	279,668
Investments	5	207,731	7,731
Prepaid expenses		129,138	28,313
Total current assets		2,373,033	1,521,689
Non-current assets:			
Bond		37,500	37,500
Exploration and evaluation assets	4	5,083,534	5,083,534
Equipment		7,381	14,121
Total assets		\$ 7,501,448	\$ 6,656,844
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities		\$ 94,400	\$ 107,691
Flow-through share premium	9	412,378	14,991
Total current liabilities		506,778	122,682
SHAREHOLDERS' EQUITY			
Share capital	6	58,019,578	53,822,124
Reserves	6	10,078,416	9,321,903
Deficit		(61,103,324)	(56,609,865)
Total shareholders' equity		6,994,670	6,534,162
Total liabilities and shareholders' equity		\$ 7,501,448	\$ 6,656,844

Nature of operations (Note 1)

Subsequent event (Note 12)

Approved by the Board of Directors and authorized for issue on November 27, 2025.

_____"Craig Roberts"_____
Director

_____"Rob Carpenter"_____
Director

- The accompanying notes are an integral part of these condensed interim consolidated financial statements -

PROSPECTOR METALS CORP.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited - Expressed Canadian Dollars)

		Three months ended September 30,		Nine months ended September 30,	
	Note	2025	2024	2025	2024
Expenses					
Amortization		\$ 6,740	6,740	6,740	20,219
Consulting fees	7	104,500	81,500	513,500	359,040
Exploration and project evaluation	4	2,856,731	705,593	3,588,457	1,388,209
Investor relations		86,488	32,065	145,541	115,017
Listing and filing fees		15,704	6,150	34,227	37,437
Office and administrative		29,131	39,608	95,882	131,512
Professional fees	7	52,210	59,311	212,139	182,122
Rent		11,273	9,924	33,819	29,151
Share based payment expense		49,942	-	634,059	524,730
Travel		13,112	17,593	48,794	70,625
Loss before the undernoted		(3,225,831)	(953,416)	(5,313,158)	(2,858,062)
Other income (expenses)					
Foreign exchange (loss)/gain		(1,320)	(227)	(1,320)	(257)
Interest income		10,402	25,096	31,549	55,311
Other income		-	4,890	-	-
Other income from settlement of flow-through	9	774,479	54,963	789,470	109,138
Net loss and comprehensive loss for the period		\$ (2,442,270)	(868,694)	(4,493,459)	(2,688,980)
Basic and diluted loss per common share		\$ (0.02)	(0.02)	(0.06)	(0.06)
Weighted average number of common shares outstanding		98,600,632	56,168,798	78,120,921	42,587,956

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PROSPECTOR METALS CORP.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

For the nine months ended September 30, 2025 and 2024

(Unaudited - Expressed Canadian Dollars)

	Share capital		Reserves	Deficit	Total shareholders' equity
	Number of shares	Amount			
Balance, December 31, 2023	21,154,148	\$ 48,289,476	\$ 8,758,936	\$ (49,748,908)	\$ 7,299,504
Shares issued for private placement	24,907,725	3,627,905	-	-	3,627,905
Shares issued for property acquisition	10,288,830	1,856,323	-	-	1,856,323
Flow-through share premium	-	(178,572)	-	-	(178,572)
Share issuance costs	-	(57,051)	38,237	-	(18,814)
Share-based compensation	-	-	524,730	-	524,730
Loss for the period	-	-	-	(2,688,980)	(2,688,980)
Balance, September 30, 2024	56,350,703	\$ 53,538,081	\$ 9,321,903	\$ (52,437,888)	\$ 10,422,096
Shares issued for property acquisition	900,000	332,870	-	-	332,870
Share issuance costs	-	(48,827)	-	-	(48,827)
Loss for the period	-	-	-	(4,171,977)	(4,171,977)
Balance, December 31, 2024	57,250,703	\$ 53,822,124	\$ 9,321,903	\$ (56,609,865)	\$ 6,534,162
Shares issued for private placement	41,349,929	5,735,349	-	-	5,735,349
Share issuance costs	-	(351,038)	122,454	-	(228,584)
Flow-through share premium	-	(1,186,857)	-	-	(1,186,857)
Share-based compensation	-	-	634,059	-	634,059
Loss for the period	-	-	-	(4,493,459)	(4,493,459)
Balance, September 30, 2025	98,600,632	\$ 58,019,578	\$ 10,078,416	\$ (61,103,324)	\$ 6,994,670

- The accompanying notes are an integral part of these condensed interim consolidated financial statements -

PROSPECTOR METALS CORP.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited - Expressed Canadian Dollars)

		For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
	Note(s)		
Cash flows from operating activities:			
Loss for the period		\$ (4,493,459)	\$ (2,688,980)
Items not affecting cash:			
Depreciation expense		6,740	20,219
Other income from settlement of flow-through liability	9	(789,470)	(109,138)
Share-based compensation	6	634,059	524,730
Other income		-	(4,890)
Changes in non-cash working capital:			
Accounts payable and accrued liabilities		(13,291)	(117,741)
Amounts receivable		55,464	199,133
Prepaid expenses		(100,825)	28,705
Net cash used in operating activities		(4,700,782)	(2,147,962)
Cash flows from investing activities:			
Short-term investments		(200,000)	-
Proceeds from sales of investments		-	65,421
Recovery on exploration and evaluation assets		-	25,000
Acquisition of mineral properties		-	(118,546)
Net cash generated in investing activities		(200,000)	(28,125)
Cash flows from financing activities:			
Proceeds from private placements	6	5,735,349	3,609,091
Share issuance costs		(228,584)	-
Promissory note		-	(101,625)
Net cash provided by financing activities		5,506,765	3,507,466
Net change in cash and cash equivalents		605,983	1,331,379
Cash and cash equivalents, beginning of the period		1,205,977	460,002
Cash and cash equivalents, end of the period		\$ 1,811,960	\$ 1,791,381
Cash and cash equivalents consisted of:			
Cash deposited with a Canadian Senior Bank		\$ 1,684,989	\$ 1,470,290
Term deposits and guaranteed investment certificates issued		126,971	321,091
		\$ 1,811,960	\$ 1,791,381
Supplemental cash information			
Valuation of finders warrants		1,186,857	-
Flow through premium		122,454	-

The accompanying notes are an integral part of these condensed interim consolidated financial statements. -

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements For the nine months ended September 30, 2025 and 2024 (Unaudited - Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

Prospector Metals Corp. (the “Company” or “Prospector”) was incorporated on March 12, 2007 under the British Columbia Business Corporations Act. The Company is trading on the TSX Venture Exchange under the ticker symbol PPP. Its registered office is located at Suite 1012 – 1030 W Georgia St., Vancouver, BC, V6E 2Y3. The Company’s principal business activities are the identification, exploration and development of economically viable mineral properties.

The Company is trading on the TSX Venture Exchange under the ticker symbol PPP. The Company also consolidated its common shares based on one post-consolidation common share for each three pre-consolidated common shares. All common shares and per share amounts have been retroactively restated to reflect the consolidation.

As at September 30, 2025, the Company had current assets of \$2,373,033 (December 31, 2024 - \$1,521,689) to settle current liabilities of \$506,778 (December 31, 2024 - \$122,682), leaving the company with working capital of \$1,866,255 (December 31, 2024 - \$1,399,007).

Going Concern and Continuance of Operations

These condensed interim consolidated financial statements have been presented on the basis that the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Realization values may be substantially different from the carrying values shown and these condensed interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. The Company is expected to incur further losses in the development of its business. The Company’s ability to continue as a going concern is dependent upon its ability to obtain the necessary capital to meet its obligations and repay its liabilities arising from normal business operations when they come due. While the Company has been successful in securing financing in the past, there is no assurance that it will be able to do so in the future. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION, AND CONSOLIDATION

Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim consolidated financial statements were approved by the Board of Directors on November 27, 2025.

Basis of Preparation

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for assets classified as fair value through profit or loss which have been measured at fair value. These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The condensed interim consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company’s ability to receive financial support, necessary financing, or generate profitable operations in the future.

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements For the nine months ended September 30, 2025 and 2024 (Unaudited - Expressed in Canadian Dollars)

Basis of Consolidation

These condensed interim consolidated financial statements include the financial statements of the Company, its 100% owned Canadian subsidiary 1088151 B.C. Ltd., and its 100% owned Mexican subsidiary Compañía Minera Roca Dorada, SA de CV ("Roca Dorada"). Subsidiaries are entities controlled by the Company. The Company controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over its subsidiary. All significant inter-company balances and transactions have been eliminated upon consolidation.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amount of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are noted below with further details of the assumptions contained in the relevant note.

The preparation of these condensed interim consolidated financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

The critical estimates and judgments applied in the preparation of the unaudited condensed interim consolidated financial statements for the nine months ended September 30, 2025 are consistent with those applied and disclosed in note 3 to the Company's audited consolidated financial statements for the year ended December 31, 2024.

Foreign currency translation

The functional currency of Prospector and its subsidiaries is the Canadian dollar. Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate in effect at the financial statement date. Exchange gains or losses arising from these translations are recognized in profit or loss for the reporting period.

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements
For the nine months ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

4) MINERAL INTERESTS

Acquisition costs

	British Columbia \$	Ontario \$	Quebec \$	Yukon \$	Newfoundland \$	Total \$
Balance, Dec 31, 2022	338,000	3,649,556	1,104,145	-	2,665,333	7,757,034
Acquisition costs:						
Cash payments	-	-	-	-	320,000	320,000
Share issuances	20,000	-	-	-	84,667	104,667
Impairment	(358,000)	(255,767)	(1,104,145)	-	-	(1,717,912)
Balance, Dec 31, 2023	-	3,393,789	-	-	3,070,000	6,463,789
Acquisition costs:						
Cash payments	-	50,000	-	18,546	59,000	127,546
Share issuances	-	185,000	-	1,844,433	128,333	2,157,766
Impairment	-	(1,210,500)	-	-	(2,430,067)	(3,640,567)
Recovery	-	-	-	-	(25,000)	(25,000)
Balance, December 31, 2024 and September 30, 2025	-	2,418,289	-	1,862,979	802,266	5,083,534

Exploration expenditures

During the period ended September 30, 2025, the Company incurred the following exploration expenses:

	British Columbia \$	Ontario \$	Quebec \$	Newfoundland \$	Yukon \$	Total \$
Administration	132	5	-	-	4,020	4,157
Camp costs	-	4,181	-	1,600	1,163,027	1,168,808
Drilling	-	50,000	-	-	1,263,056	1,313,056
Field equipment	-	-	-	92	16,402	16,494
Geological	6,648	48,275	4,255	2,488	752,871	814,537
Government grant	-	(122,045)	-	-	-	(122,045)
Property Maintenance	2,989	3,095	1,021	475	29,600	37,180
Travel	-	4,007	-	-	285,541	289,548
Other	-	11,075	-	-	55,647	66,722
Total, September 30, 2025	9,769	(1,407)	5,276	4,655	3,570,164	3,588,457

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements
For the nine months ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

During the period ended September 30, 2024, the Company incurred the following exploration expenses:

	British Columbia	Ontario	Quebec	Newfoundland	Yukon	Total
Administration	4,093	-	730	1,229	36,733	42,785
Camp costs	-	20,010	-	600	61,078	81,688
Geological	34,722	69,938	-	8,400	206,561	319,621
Geophysics	-	207,836	-	-	-	207,836
Property Maintenance	(2,784)	5,180	5,703	585	-	8,684
Travel	-	3,054	-	-	10,243	13,297
Other	-	-	-	-	8,705	8,705
Balance, September 30, 2024	36,031	306,018	6,433	10,814	323,320	682,616

a) Savant Lake, Ontario

On September 1, 2020, the Company entered into an earn-in agreement with New Dimension Resources Ltd. ("New Dimension") whereby the Company can earn a 70% interest in the Savant Lake gold property located in northwest Thunder Bay, Ontario.

The Company can earn a 70% interest in the Savant Lake property by paying the optionor a total of \$200,000 in cash, issuing 888,889 common shares of the Company, and completing \$2,000,000 in exploration work, as follows:

	Cash	Shares	Work Commitment	
Within five days of the execution date	\$50,000	Paid	-	-
Within five days of TSX Venture acceptance	-	222,222	Issued	-
On or before September 20, 2021	-	111,111	Issued	-
On or before November 15, 2022	\$50,000	Paid	222,222	Issued \$500,000 Met
On or before November 15, 2023	\$50,000*	222,222*		\$1,000,000*
On or before November 15, 2024	\$50,000*	111,111*		\$500,000*

**Due to termination and mutual release the payments and commitments have been terminated.*

If a mineral resource in excess of one million ounces of gold is defined on the property, the Company will make additional payments to New Dimension of \$50,000 in cash and issue 222,222 common shares of the Company.

Due to ongoing community issues, the Company has called Force Majeure and as a result has not made the November 15, 2023 payment of cash and shares. The claims have been put on hold by the Ontario Ministry, without any payments required until December 2024.

On April 10, 2024, the Company issued 1,000,000 common shares, for a fair value of \$185,000, and paid \$50,000 to Capella Minerals in relation to the termination and mutual release of the existing earn-in agreement dated September 1, 2020 to acquire 70% interest in the Savant Lake Property. The share issuance and cash payment give effect to the new property acquisition agreement granting Prospector 100% interest in the Savant Lake Property.

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements
For the nine months ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

On August 12, 2025, the Company entered into a definitive option agreement with BeMetals Corp. (“BeMetals”) granting BeMetals the option to earn up to a 100% interest in the Savant Lake Property, Ontario, over a five-year period through minimum cumulative exploration expenditures of \$2,500,000 and the delivery of an NI 43-101 compliant Technical Report. Ownership interest will be determined based on the size and category of the mineral resource, with Prospector retaining a 0.5% NSR royalty if BeMetals acquires 100% ownership, and Prospector entitled to a success-based payment of US\$5 per ounce of gold in the reported mineral resource.

b) Campbell Lake Gold Project, Ontario

On October 6, 2020, the Company entered into an earn-in agreement whereby the Company can earn a 100% interest in the Campbell Lake gold project located north of the town of Armstrong, Ontario

The Company earned a 100% interest in the Campbell Lake gold project by making the following cash and share payments:

	Cash		Shares	
Within five days of the execution date	\$10,000	Paid	-	
Within five days of TSX Venture acceptance	-		66,667	Issued
Within five days of an airborne geophysics survey date	-		66,667	Issued
On or before October 6, 2021	-		66,667	Issued
On or before October 6, 2022	-		200,000	Issued

There are no work commitments.

As of December 31, 2024, the claims for the Campbell Lake Gold project have lapsed. As such, the Company wrote down the carrying value totaling \$748,000 to \$Nil as at December 31, 2024.

c) Whitton Lake (formerly known as Heaven Lake) Project, Ontario

On March 7, 2021, the Company entered into an earn-in agreement under which the Company may acquire a 100% interest in the Whitton Lake claim block by making the following cash and share payments:

	Cash		Shares	
Within five days of the execution date	\$23,300	Paid	-	
Within five days of TSX-V approval	-		222,222	Issued
Within 12 months of signing the earn-in agreement	-		222,222	Issued
Within 24 months of signing the earn-in agreement	-		222,222	Issued

There are no work commitments. There is a 2% NSR. The Company can acquire 1% of the NSR by paying \$1,000,000.

The Company has since acquired 100% of the Whitton Lake claim block.

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements
For the nine months ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

d) Schefferville, Quebec

On August 5, 2020, the Company staked two claim blocks in the province of Quebec. Staking costs of \$80,145 are included in mineral property acquisition costs.

On October 15, 2020, Prospector announced that it has purchased a 100% interest in mineral claims contiguous to Prospector's newly staked Sable block, part of the Schefferville Gold Project.

Prospector has purchased the claims for \$50,000 cash (paid) and 166,666 shares of Prospector (issued). Additionally, there is a 2.0% NSR in favor of the vendors of which Prospector may purchase 1.0% for \$1,000,000.

As at December 31, 2024, the Schefferville claims are suspended and the Company, along with the Quebec government, is renegotiating a deal to resolve property access issues. During the year ended December 31, 2023, the Company wrote down the property's carrying value totaling \$552,645 to \$Nil.

Schefferville Ashuanipi Property

On February 15, 2021, the Company entered into an earn-in agreement under which the Company may acquire a 100% interest in the Schefferville Ashuanipi Property by making \$100,000 in cash payments (paid) and issuing 222,222 shares on closing (issued). Prospector has committed to spending \$500,000 over three years on the claims with any shortfall resulting in a cash payment to the vendor in an amount equal to a prorated cash payment of \$100,000. If the commitment is satisfied, no such payment is required. The vendors will retain a 2.0% NSR royalty on the Property, of which 1.0% may be repurchased by the Company for \$1,000,000.

As at December 31, 2024, the Ashuanipi claims are suspended and the Company, along with the Quebec government, is renegotiating a deal to resolve property access issues. During the year ended December 31, 2023, the Company wrote down the property's carrying value totaling \$360,000 to \$Nil.

e) Toogood Project

On December 22, 2020, Prospector announced that it has entered into two earn-in agreements under which Prospector may earn a 100% interest in the Toogood claim group and the McGrath claim group located on New World Island, Newfoundland. These projects are situated to the north-east of the Company's Deep Cove and Virgin Arm properties. The Deep Cove, Virgin Arm, McGrath and Toogood claims will be collectively referred to as the Toogood Project.

Toogood Claim Group Earn-in Agreement:

Prospector earned a 100% interest in the Toogood claim group by making the following cash and share payments:

- Cash payment of \$25,000 on signing (paid)
- 277,778 shares on TSXV approval of the entrance into the earn-in agreement (issued)
- 277,778 shares 12 months following signing (issued).

The vendor retains a 2% NSR royalty, of which the first 1% can be purchased by Prospector for \$1,000,000. There are no work commitments.

In February 2021, a finder's fee of 11,111 shares was issued in respect of the Toogood claim group transaction.

McGrath Claim Group Earn-in Agreement:

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements
For the nine months ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

Prospector earned a 100% interest in the McGrath claim group by making the following share payments:

- 88,889 shares on TSXV approval of the entrance into the earn-in agreement (issued)
- 88,889 shares 12 months following signing (issued)

The vendor retains a 2% NSR royalty, of which the first 1% can be purchased for \$1,000,000. There are no work commitments.

Deep Cove Claim Group Earn-in Agreement:

Prospector earned a 100% interest in the Deep Cove claim group by making the following cash and share payments:

	Cash		Shares		Work Commitment
Within five days of the execution date	\$65,000	Paid	-		-
Within five days of TSX Venture	-		66,667	Issued	-
On or before October 29, 2021	\$45,000	Paid	66,667	Issued	\$100,000
On or before October 29, 2022	\$50,000	Paid	88,889	Issued	\$100,000
On or before October 29, 2023	\$120,000	Paid	133,333	Issued	\$100,000

During the year ended December 31, 2023, the Company paid \$120,000 and issued 133,333 common shares with a fair value of \$36,000 as part of the earn-in agreement on the Deep Cove property.

The vendor retains a 2% NSR royalty, of which the first 1% can be purchased for \$1,000,000.

Virgin Arm Claim Group Earn-in Agreement:

Prospector earned a 100% interest in the Virgin claim group by making the following cash and share payments:

	Cash		Shares	
Within five days of the execution date	\$60,000	Paid	-	
Within five days of TSX Venture	-		44,444	Issued
On or before October 29, 2021	\$75,000	Paid	66,667	Issued
On or before October 29, 2022	\$90,000	Paid	88,889	Issued
On or before October 29, 2023	\$150,000	Paid	133,333	Issued

During the year ended December 31, 2023, the Company paid \$150,000 and issued 133,333 common shares with a fair value of \$36,000 as part of the earn-in agreement on the Virgin Arm property.

The vendor retains a 3% NSR royalty, of which the first 1.5% can be purchased for \$1,500,000. There are no work commitments.

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements
For the nine months ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

Fairbanks Earn-in Agreement:

	Cash		Shares	
Within five days of the execution date	\$50,000	Paid	-	
Within five days of TSX Venture	-		44,444	Issued
On or before June 15, 2022	\$50,000	Paid	33,333	Issued
On or before June 15, 2023	\$50,000	Paid	44,444	Issued
On or before June 15, 2024	\$50,000	Paid	66,667	issued

During the year ended December 31, 2023, the Company paid \$50,000 and issued 44,444 common shares relating to the acquisition of Fairbanks mineral property with a fair value of \$12,667.

During the year ended December 31, 2024, the Company paid \$50,000 and issued 66,666 common shares relating to the acquisition of Fairbanks mineral property with a fair value of \$11,333.

The Company entered an option agreement with 1484428 B.C. Ltd whereby 1484428 B.C. Ltd may earn 100% of the Company's Toogood Project. Pursuant to the terms of the Option Agreement, to acquire a 100% interest in the Toogood Project, 1484428 B.C. Ltd is required to make cash payments of \$25,000 (received), issue shares having a value of \$900,000, and incur \$6,000,000 in exploration expenditures within 60 months. In addition, 1484428 B.C. Ltd will assume responsibility for all underlying original vendor agreements, including net smelter royalties and milestone payments payable on the Toogood Project.

In support of the option agreement with 1484428 B.C. Ltd, the fully vested option and net smelter royalty agreement on the Virgin Arm portion of the Toogood Project has been amended to: (i) reduce the land covered by the Toogood Project; and (ii) include the issuance of 900,000 additional common shares of the Company (issued with a fair value of \$117,000) plus additional common shares having an aggregate market value of \$60,000 of within 12 months, and eliminate annual prepayments due on a 3% net smelter royalty in exchange for a single cash payment of \$150,000.

Based on the option agreement the Company impaired the Toogood Project to a value of \$802,266 (\$900,000 over time at a discounted rate of 6%) which resulted in an impairment on exploration and evaluation assets in the amount of \$2,430,067.

As at the date of the condensed interim financial statements, the transaction contemplated under the option agreement had not yet closed, and the Company maintained its 100% interest in the Toogood Project as of September 30, 2025.

f) Leopard Lake, Ontario

On May 25, 2022, the Company acquired 100% interest in the Leopard Lake Property for 416,667 shares with a fair value of \$462,500. There are no cash payments, work commitments, or royalties.

As of December 31, 2023, the claims for the Leopard Lake property have lapsed. As such, the Company wrote down the carrying value totaling \$462,500 to \$Nil as at December 31, 2024.

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements For the nine months ended September 30, 2025 and 2024 (Unaudited - Expressed in Canadian Dollars)

g) Mike Lake, Yukon

On December 29, 2023, Prospector entered into a property purchase agreement to acquire a 100% interest in the ML Property (also known as the Mike Lake Property) from Troilus Gold Corporation ("Troilus"). The ML Property will be acquired from Troilus through a shares-only purchase agreement.

Per the property purchase agreement, Prospector is to provide Troilus with a Milestone Payment within 30 days of the completion of a mineral resource estimate, payable in cash or shares (with certain limitations should this result in Troilus holding over 20% of the issued and outstanding shares of Prospector).

- The Milestone payment shall be \$1,000,000, if Prospector's Market Capitalization is less than \$20,000,000, or
- \$2 million if Prospector's Market Capitalization is greater than \$20,000,000.

As the requirement for this contingent payment has not taken place, the Company has not reflected the milestone payment in the Company's consolidated financial statements.

On March 5, 2024, the Company closed the acquisition. The Company also issued 9,222,164 common shares, with a fair value of \$1,844,433, to Troilus and incurred cash payments of \$18,546.

On May 22, 2025, the Company announced the closing of a non-brokered private placement raising total gross proceeds to the Company of \$5,735,350. The private placement was completed in two tranches with the second tranche of the Offering consisting of 4,227,272 NFT Units (purchased by B2Gold Corp. ("B2Gold")) for additional gross proceeds of \$465,000. Pursuant to an investment agreement with B2Gold, B2Gold elected to purchase the units to maintain its investment rights of 9.9%.

5) INVESTMENTS

	Fair value Jan 1, 2024	Additions December 31, 2024	Disposals December 31, 2024	Realized and unrealized gain December 31, 2024	Fair value December 31, 2024
Common shares	\$ 68,262	\$ -	\$ (65,421)	\$4,890	\$7,731

	Fair value Jan 1, 2025	Additions September 30, 2025	Disposals September 30, 2025	Realized and unrealized gain September 30, 2025	Fair value September 30, 2025
Common shares	\$ 7,731	\$ 200,000	\$ -	\$ -	\$207,731

6) SHARE CAPITAL AND RESERVES

(a) Authorized

Unlimited number of common shares without par value
Unlimited number of preferred shares without par value

(b) Common shares – issued and outstanding

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements For the nine months ended September 30, 2025 and 2024 (Unaudited - Expressed in Canadian Dollars)

The Company consolidated its common shares based on one post-consolidation common share for each three pre-consolidated common shares. All common shares and per share amounts have been retroactively restated to reflect the consolidation.

Common shares - At September 30, 2025, the Company has 98,600,632 (December 31, 2024 – 57,250,703) common shares issued and outstanding.

Preferred shares – At September 30, 2025 and December 31, 2024 no preferred shares were issued and outstanding.

Nine months ended September 30, 2025

In May 2025, the Company closed non-brokered private placements raising total gross proceeds to the Company of \$5,735,350. The first tranche consisting of 25,974,026 charity flow-through units offered at a price of \$0.154, 1,000,000 flow through units at a price of \$0.154 and 10,148,631 non-flow through units at a price of \$0.11. The second tranche consisted of 4,227,272 non-flow through units a price of \$0.11.

Each charity flow-through units and flow-through units is comprised of one flow-through common share and one half of one non-flow-through common share purchase warrant and each non-flow through units are comprised of one common share and one half of one non-flow-through common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant is exercisable at a price of \$0.30 into one common share for a period of two years from the date of issuance.

In connection with the closing of the non-brokered private placements, the Company paid cash finders’ fees totaling \$229,083 and issued 1,558,654 finders’ warrants priced at \$0.30. Each finders’ warrant is exercisable for 2 years from the date of issue. The fair value of \$122,454 for the finders’ warrants was estimated using the Black-Scholes model with the following assumptions: share price on grant date of \$0.14; expected dividend yield of 0%; expected annualized volatility of 141.28%; a risk-free interest rate of 2.53%; and an expected average life of two years.

Year ended December 31, 2024:

Shares issued for property acquisition (Note 4)

On March 5, 2024, the Company issued 9,222,164 common shares relating to the acquisition of the ML property, with a fair value of \$1,844,433.

On April 10, 2024, the Company issued 1,000,000 shares relating to the acquisition of the Savant Lake gold property with a fair value of \$185,000.

On June 7, 2024, the Company issued 66,666 shares relating to the acquisition of the Fairbanks property with a fair value of \$11,333.

On October 25, 2024, the Company issued 900,000 shares relating to the Virgin Arm amendment with a fair value of \$117,000.

Shares issued for private placement

On March 5, 2024, the Company closed a non-brokered private placement for gross proceeds of \$2,000,000. In connection with the private placement, the Company issued 9,090,909 units at a price of \$0.11 per unit and 6,666,666 units at a price of \$0.15 per unit. Each unit consists of one common share and one half of one common

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements For the nine months ended September 30, 2025 and 2024 (Unaudited - Expressed in Canadian Dollars)

share purchase warrant. Each warrant is exercisable into one common share at an exercise price of \$0.30 for a period of two years from the date of issue.

In connection with the private placement, the Company paid cash finders' fees totaling \$31,426 and issued 246,676 finders' warrants. Each finders' warrant is exercisable to purchase one common share at a price of \$0.30 per common share for two years from the date of issue. The fair value of \$29,115 for the warrants was estimated using the Black-Scholes model with the following assumptions: share price on grant date of \$0.20; expected dividend yield of 0%; expected annualized volatility of 132%; a risk-free interest rate of 3.93%; and an expected average life of two years.

On May 21, 2024, the Company closed a non-brokered private placements consisting of 3,571,430 charity flow-through units ("Charity FT") offered at a price of \$0.21 per Charity FT unit for gross proceeds to the Company of \$750,000, a premium was received for the flow-through shares resulting in an initial liability of \$178,572 (Note 9). Each Charity FT unit consists of one flow-through common shares and one half of one non-flow-through common share purchase warrant. Each warrant will be exercisable at a price of \$0.30 into one common share for a period of one year from the date of issuance.

In connection with the private placement, the Company paid cash finders' fees totaling \$17,400 and issued 116,000 finders' warrants. Each finders' warrant is exercisable to purchase one common share at a price of \$0.30 per common share for one year from the date of issue. The fair value of \$9,122 for the warrants was estimated using the Black-Scholes model with the following assumptions: share price on grant date of \$0.16; expected dividend yield of 0%; expected annualized volatility of 172%; a risk-free interest rate of 4.24%; and an expected average life of one year.

On July 4, 2024, the Company completed a strategic investment by B2Gold Corp which subscribed an aggregate of 5,578,720 common shares of the Company at a price of 0.16 per share for gross proceeds to the Company of \$909,331. In connection with the non-brokered private placement, the Company paid share issuance fees totaling \$18,815.

(c) Share purchase options

Share purchase options are granted at an exercise price equal to the estimated fair value of the Company's common shares on the date of the grant. On June 22, 2020, the Company implemented a new Share Option Plan for the benefit of directors, employees, management company employees and consultants of the Company. The Plan provides that the directors of the Company may grant options to purchase common shares on terms that the directors may determine. The maximum aggregate number of common shares that may be reserved for issuance under the Plan is 10% of the issued and outstanding common shares of the Company at the time of grant.

A summary of the status of the Company's outstanding and exercisable share purchase options is presented below:

	September 30, 2025		December 31, 2024	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding at beginning of period	5,043,646	\$0.64	2,077,548	\$1.62
Granted	3,560,000	\$0.24	3,400,000	\$0.20
Expired/Cancelled	(919,440)	\$1.11	(433,902)	\$1.92

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements For the nine months ended September 30, 2025 and 2024 (Unaudited - Expressed in Canadian Dollars)

Exercised	-	-	-	-
Outstanding at end of period	7,684,206	\$0.40	5,043,646	\$0.64

During the period ended September 30, 2025, Prospector granted of a total of 3,560,000 incentive stock options to directors, officers, and consultants of the Company with a fair value of \$634,059.

As at September 30, 2025, the following share purchase options were outstanding and exercisable:

Expiry date	Outstanding and Exercisable Options	Weighted Average Exercise Price	Weighted Average Remaining contractual life (in years)
November 5, 2025	172,220	\$1.98	0.10
May 20, 2026	116,664	\$2.04	0.63
August 3, 2026	55,555	\$3.78	0.84
October 8, 2026	74,998	\$2.34	1.02
April 21, 2027	172,221	\$1.86	1.55
December 1, 2027	11,110	\$1.80	2.16
March 27, 2028	471,438	\$0.63	2.48
March 11, 2029	300,000	\$0.22	3.44
June 14, 2029	3,100,000	\$0.20	3.70
February 25, 2030	560,000	\$0.18	4.41
June 13, 2030	2,450,000	\$0.25	4.70
September 1, 2030	200,000	\$0.27	4.92
	7,684,206	\$0.40	4.06

The following weighted-average grant date assumptions were used in valuing share purchase options granted during the period ended September 30, 2025 and the year ended December 31, 2024. The Company determines the fair value of options granted using the Black-Scholes model for share purchase options issued to employees. The Company determines the fair value of share purchase options issued to non-employees using the value of services provided by the non-employees.

	September 30, 2025	December 31, 2024
Weighted average share price	\$0.20	\$0.17
Weighted average exercise price	\$0.24	\$0.20
Weighted average fair value per option	\$0.17	\$0.15
Risk-free interest rate	2.92%	3.32%
Expected volatility ⁽¹⁾	130.03%	144%
Expected years of option life ⁽²⁾	5	5
Expected dividends	Nil	Nil

⁽¹⁾ The volatility was calculated using the Company's historical information and industry benchmarks.

⁽²⁾ The effects of early exercise were not incorporated into the model as the options are expected to be held for the contractual life.

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements
For the nine months ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

(c) Share purchase warrants

As at September 30, 2025 the Company had outstanding and exercisable share purchase warrants entitling the holders to acquire common shares as follows:

	September 30, 2025		December 31, 2024	
	Number of	Weighted Average Exercise Price	Number of	Weighted Average Exercise Price
	warrants		warrants	
Balance, beginning of period	10,819,934	\$0.36	1,522,587	\$1.74
Granted	22,233,613	0.30	9,936,157	\$0.30
Expired	(853,220)	\$0.78	(668,810)	\$2.51
Balance, end of period	32,200,327	\$0.31	10,819,934	\$0.36

As at September 30, 2025, the Company had outstanding and exercisable share purchase warrants entitling the holders to acquire common shares as follows:

Expiry date	Outstanding and Exercisable warrants	Weighted average exercise price	Weighted average remaining life (in years)
November 17, 2025	55,555	\$3.60	0.13
May 21, 2026	1,785,711	\$0.30	0.64
March 5, 2026	4,545,447	\$0.30	0.43
March 5, 2026	3,333,325	\$0.30	0.43
March 5, 2026	246,676	\$0.30	0.43
May 15, 2027	20,119,977	\$0.30	1.62
May 22, 2027	2,113,636	\$0.30	1.64
Balance	32,200,327	\$0.31	1.26

7) RELATED PARTY TRANSACTIONS

The Company's related parties consist of its key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly, and consist of its directors, the Chief Executive Officer, and the Chief Financial Officer. Related party transactions not otherwise disclosed in these consolidated financial statements are:

	September 30, 2025	September 30, 2024
Consulting fees	\$ 513,500	\$ 279,000
Professional fees	67,000	28,000
Share-based compensation	329,474	387,793
	\$ 909,974	\$ 694,793

*Prospector Metals Corp. and Nevada King Gold Corp. have a common director namely, Craig Roberts. He is the Co-Chairman of Prospector Metals Corp. and director of Nevada King Gold Corp.

Due to/from related parties

As at September 30, 2025, the amount due to related parties is \$Nil (December 31, 2024 – \$Nil). During the year ended December 31, 2023, the Company received a promissory note of \$101,625 due to a Director of the Company. The note was unsecured and non-interest bearing and was repaid in full during the year ended December 31, 2024.

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements
For the nine months ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

8) SEGMENT INFORMATION

- (a) The Company operates in one industry segment (Note 1).
- (b) At September 30, 2025, the Company's exploration and evaluation assets were located in four provinces and one territory. Please refer to Note 4.

The Company's other assets and liabilities and net expenses are attributable to its corporate office and exploration and project evaluation activities in Canada.

9) FLOW THROUGH SHARE PREMIUM LIABILITY

Flow-through share premium liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through shares issuance.

Balance at December 31, 2023	\$ 202,790
Liability incurred on flow-through shares	178,572
Settlement of flow-through share liability on incurring expenditures	(366,371)
Balance at December 31, 2024	\$ 14,991
Liability incurred on flow-through shares	1,186,857
Settlement of flow-through share liability on incurring expenditures	(789,470)
Balance at September 30, 2025	\$412,378

On May 21, 2024, the Company closed a non-brokered private placement consisting of 3,571,430 charity flow-through units offered at a price of \$0.21 per Chairty FT unit for gross proceeds to the Company of \$750,000. In connection with the private placement closed, a premium was received for the flow-through shares resulting in an initial liability of \$178,572.

The flow-through liability is amortized to the statement of profit or loss, based on the percentage of the eligible expenditures incurred during the year. During the year ended December 31, 2024, the Company incurred eligible expenditures of \$687,040 towards its obligation to spend \$750,000 and recognized \$163,581 in the statement of profit or loss. As at September 30, 2025, the Company incurred eligible expenditures of \$3,588,457 towards its obligation to spend \$4,154,000 and recognized \$789,470 in the statement of profit or loss.

In May 2025, the Company closed a non-brokered private placement consisting of 25,974,026 charity flow-through units offered at a price of \$0.154 per Chairty FT unit for gross proceeds to the Company of \$4,000,000 and 1,000,000 flow through units for gross proceeds to the Company of \$154,000, each flow-through unit being comprised of one flow-through share and one half of one common share purchase warrant (each whole warrant, a "Warrant"). In connection with the private placement closed, a premium was received for the flow-through shares resulting in an initial liability of \$1,186,857. The flow-through liability is amortized to the statement of profit or loss, based on the percentage of the eligible expenditures incurred during the year. As at September 30, 2025, the Company is required to incur expenditures of \$4,154,000 by December 31, 2026.

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements
For the nine months ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian Dollars)

10) MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to pursue its objectives. The Company measures its capital as its shareholders' equity. The Company's primary source of capital is the issuance of equity.

The Company manages and adjusts its capital structure whenever changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding.

The Company may require additional funding to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required but recognizes there will be risks involved that may be beyond its control.

The Company expects its current capital resources will be sufficient to carry out its exploration plans and operations through at least the next twelve months. There are no external restrictions on the Company's capital.

11) FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL RISK

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

Investments are carried at fair value using a Level 1 fair value measurement. The recorded values of cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities approximate their carrying values due to their short-term to maturities which is the amount presented on the statement of financial position.

The Company is exposed to credit risk, liquidity risk and interest rate risk from its financial instruments which include cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities. The Company is not exposed to significant market or other price risks.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash and short-term investments are on deposit at a major financial institution. Amounts receivable consist primarily of goods and services tax refunds due from the Government of Canada and are neither past due nor impaired. As such, the Company considers its exposure to credit risk to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they come due. The Company is exposed to liquidity risk through its accounts payable, accrued liabilities and amounts due to related parties, which are all due on demand. The Company uses cash forecasts to ensure as far as possible that there is sufficient cash on hand to meet short-term business requirements. Cash and cash equivalents are invested in highly liquid investments which are available to discharge obligations when they come due.

PROSPECTOR METALS CORP.

Notes to the condensed interim consolidated financial statements

For the nine months ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

Interest rate risk

Interest rate risk is the risk that changes in interest rates will affect the fair value or future cash flows of the Company's financial instruments. The Company is exposed from time to time to interest rate risk as a result of holding fixed rate temporary investments of varying maturities. The Company reduces the risk that it will realize a loss as a result of a decline in the fair value of these investments by limiting these investments to highly liquid securities with short-term maturities.

Price risk

The Company has limited exposure to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

12) SUBSEQUENT EVENT

On November 21, 2025, the Company announced it has closed a private placement of an aggregate of 39,054,190 common shares for gross proceeds of \$38,047,564 comprised of 5,500,000 flow-through common shares at a price of \$1.00 per FT Share and 33,554,190 non-flow-through common shares at a price of \$0.97 per NFT Share.

Subsequent to September 30, 2025, there have been 401,000 options exercised for proceeds of \$102,530 and 11,255,411 warrants exercised for proceeds of \$3,376,623 for total gross proceeds \$3,479,153. This leaves 7,283,206 options outstanding and 20,944,916 warrants outstanding.